

1 JUDGE CHACHKIN: Well, we'll go off the record a  
2 minute.

3 (Off the record.)

4 BY MR. SCHONMAN:

5 Q If I can direct the witness's attention to Bureau  
6 Exhibit Number 176. That's the annual meeting of NMTV,  
7 January 11, 1988. That's in Volume III. And I can represent  
8 to you that David Espinoza is identified as secretary/  
9 treasurer and director. Was there any change -- Are you aware  
10 of any change in Mr. Espinoza's status as the treasurer of  
11 NMTV --

12 A No, sir.

13 Q -- between that meeting and, and this financial  
14 report?

15 A No, sir.

16 Q Do you know if Mr. Espinoza was sent a copy of this  
17 financial report at the time it was prepared?

18 A There would have been an opportunity at the board  
19 meeting for it to be reviewed by all the directors.

20 Q Thank you. Mrs. Duff, would you turn to Bureau  
21 Exhibit Number 212, please? Do you have that before you?

22 A Yes.

23 Q This is an employment eligibility verification form  
24 for an individual by the name of Timothy Ullery, U-L-L-E-R-Y.  
25 Who is Timothy Ullery?

1           A     He was the assistant engineer to Harold Prentice at  
2 the Odessa station.

3           Q     Who hired Mr. Ullery?

4           A     Mr. Prentice would have had responsibility for  
5 hiring his staff at the station.

6           Q     Can you turn to Bureau Exhibit Number 214, please?  
7 That's an action by written consent of the NMTV board in  
8 September 1988. Do you have that before you?

9           A     Yes.

10          Q     Can you tell me why Charlene Williams was elected to  
11 the office of assistant secretary on that date?

12          A     Charlene Williams was appointed to the position of  
13 director of finance. And as being associated with the TBN  
14 accounting department, she would need to sign checks on behalf  
15 of National Minority as, as far as the accounting that was  
16 provided for NMTV by TBN.

17          Q     What was her relationship, if any, with TBN?

18          A     She was the director of finance. She was  
19 responsible for overall activities of the accounting  
20 department.

21               JUDGE CHACHKIN: So she signed checks on behalf of  
22 NMTV. Is that what you're saying?

23               WITNESS: Yes, sir.

24               JUDGE CHACHKIN: Even though she wasn't an employee  
25 of NMTV?

1 WITNESS: That's correct.

2 BY MR. SCHONMAN:

3 Q Now, on the same date -- at about the same time, she  
4 was also elected to serve as assistant secretary for Trinity  
5 Broadcasting of Florida. If you -- I'd like to direct your  
6 attention to Bureau Exhibit Number 215. Do you see that?

7 A Yes.

8 Q Now, Charlene Williams was also elected to that same  
9 position, assistant secretary, for all other Trinity  
10 corporations, correct?

11 A Yes. As director of finance. That would be the  
12 responsibility that she had, to sign checks.

13 Q Bureau Exhibit Number 216, that's another invoice  
14 from May and Dunne. This one is dated September 8, 1988.  
15 It's directed to Trinity Broadcasting Network and it includes  
16 charges for services rendered to NMTV. And my question is why  
17 is NMTV included in this invoice, Mrs. Duff?

18 A I don't have anything further to add.

19 Q Let's turn to Bureau Exhibit Number 217. This is  
20 Form 990, Return of Organization Exempt from Income Tax for  
21 the year 1987. And on page 4 it's signed by Richard Huffman  
22 on September 14, 1988. Do you have that before you?

23 A Yes.

24 Q If you look at page 1, there's a negative fund  
25 balance of more than \$480,000. Do you see that?

1 A Yes.

2 Q Did you review this form before it was filed with  
3 the federal government?

4 A I, I don't recall. It would be my practice to  
5 review it, but I don't recall this particular time.

6 Q Were there any discussions among NMTV's board  
7 members about, about this very large negative balance?

8 A No, sir.

9 Q Do you have any knowledge as to no one noticed it?  
10 That is, the negative fund balance.

11 A No, sir.

12 Q Let's turn to Bureau Exhibit Number 218. This is an  
13 office memo from George Sebastian to Paul Crouch dated  
14 September 30, 1988. Have you ever seen this document before?

15 A Mr. Sebastian copied me on, on everything, so even  
16 though it doesn't -- I probably saw this, yes.

17 Q Do you see the listings of the news stations,  
18 numbers 1 through 15 --

19 A Yes.

20 Q -- on the left-hand side?

21 A Right.

22 Q What are the relationships between those stations?

23 A Relationships between the stations? I'm not sure I  
24 understand your question.

25 Q All right, let me rephrase it. Who's the -- Who

1 would be the owner of the Wilmington, Delaware, station, item  
2 number 1 under "New Stations"?

3 A Wilmington, Delaware, might have been the -- It's  
4 rather difficult without further identification. That would  
5 probably be NMTV's application.

6 Q And these are all low-power grants because that's  
7 what the memo says it's about.

8 A It says "placed on the grant list."

9 Q It says, "Office Memo Re LPTV New Grants."

10 A Well, this was in '88. I don't think we got a grant  
11 at Wilmington that early.

12 MR. TOPEL: The document speaks for itself.

13 WITNESS: So --

14 MR. TOPEL: It talks about a grant list. I think it  
15 means pending grants.

16 BY MR. SCHONMAN:

17 Q Are there any other NMTV stations under the column  
18 "New Stations"? How about number 2, is that an NMTV station?

19 A I believe it is. I get the Columbuses mixed up,  
20 Columbus and Columbia. I think that is possibly. I don't  
21 believe the rest of them are.

22 Q Are you able to tell me what companies were  
23 associated with any of these other locations?

24 A Some of our affiliates -- I'd be able to identify --  
25 Lompoc, California, is an affiliate up in Central Coast Good

1 News, I believe. Des Moines would be TECO, whatever that  
2 means. It's, it's an affiliate. That's their corporate  
3 name's cable system. It owns some low-powers, as well as the  
4 one for Council Bluffs and Des Moines. Champagne, Illinois, I  
5 think was a TBN. And I'm not -- I think Lake City, Florida,  
6 was another affiliate, but I can't recall what that affiliate  
7 was. For Wayne was probably a --

8 Q Mrs. Duff, can you turn to Bureau Exhibit  
9 Number 220, please? And that's an office memo from George  
10 Sebastian to you dated October 3, 1988, regarding  
11 September 30, 1988, grant list. Do you recall receiving this?

12 A I'm sure I did. I, I don't have a specific  
13 recollection I did.

14 Q Did you ask Mr. Sebastian to prepare this list?

15 A This is the type of thing that he would have done on  
16 a regular basis.

17 JUDGE CHACHKIN: Are we starting a new subject?

18 MR. SCHONMAN: Yes.

19 JUDGE CHACHKIN: We'll take a luncheon recess till  
20 1:30.

21 (Whereupon, at 12:30 p.m., a luncheon recess was  
22 taken to reconvene at 1:37 p.m.)  
23  
24  
25

## A F T E R N O O N   S E S S I O N

MR. TOPEL: Yes, Your Honor, at Mr. Cohen's request, we've asked Mrs. Duff to excuse herself during this discussion. Your Honor, with some reluctance but with enormous sincerity, I wish to move that TBF be permitted first thing tomorrow morning to proceed with the testimony and cross examination of Pastor E. V. Hill and to break Mrs. Duff's testimony, and then resume with her at the conclusion of Pastor Hill's testimony.

The situation that we have is that we have two pastors from California who, who are in Washington, who must be back at their churches on Sunday. And, obviously, this is cross-country travel. It's not like hopping up to Philadelphia or New York. It's obvious that we're not going to finish three witnesses by the end of the day tomorrow. So what we plan to do is tell Pastor Ramirez to go back to California and bring him back at a mutually convenient time in the hearing that we would schedule with the consultation and consent of the other parties. In the case of, of Pastor Hill, because he was the second witness in our order, to make sure that he was here, never knowing how fast events proceed, he was here last week, went back to California to preside at his church and, and tend to other official duties, and has come back, has come back this week.

And he is unable to stay through the weekend, on

1 Monday -- to return on Monday, and I think in, in the  
2 circumstances and in light of the fact that Mrs. Duff's  
3 testimony has, by the close of business today, will have  
4 progressed three-and-a-half days, I, I think --

5 JUDGE CHACHKIN: Well, let me -- I've heard. Does  
6 anybody object?

7 MR. COHEN: Yes, sir, I do.

8 JUDGE CHACHKIN: Well, what's the basis of your  
9 objection?

10 MR. COHEN: My objection, Your Honor, and I say this  
11 reluctantly --

12 JUDGE CHACHKIN: Well, let me, let me ask you first  
13 of all, Pastor Hill, when was he involved in TBN or in NMTV?

14 MR. TOPEL: NMTV from October 1991 to the present.

15 JUDGE CHACHKIN: All right. So, apparently, he's  
16 not one of the most important witnesses, I gather? Does the  
17 Bureau have any objection? I realize that it may interrupt --  
18 Although the Bureau may finish by the end of today, I don't  
19 know.

20 MR. SCHONMAN: I don't think so.

21 JUDGE CHACHKIN: But even if you don't, is it going  
22 to make much difference if we interrupt and take Pastor Hill's  
23 testimony?

24 MR. SCHONMAN: The, the Bureau has -- doesn't have  
25 an objection, as such, but I would like the record to reflect



1 that we're -- we, we would reluctantly go along with it, with  
2 taking Reverend Hill out of turn. I think it does tend to  
3 disrupt the flow, to some extent, but beyond expressing my  
4 reluctance, I, I would say that Mr. Topel's request could be  
5 granted.

6 JUDGE CHACHKIN: What's your position?

7 MR. COHEN: My position, Your Honor, and I say this  
8 most reluctantly because I'd like to accommodate Mr. Topel and  
9 his clients, is I don't want Mrs., Mrs., Mrs. Duff's redirect  
10 influenced by testimony of witnesses who have not yet  
11 appeared. And I don't know what Mr. -- Pastor Hill is going  
12 to testify to. I don't know what Pastor Ramirez is going to  
13 testify to.

14 JUDGE CHACHKIN: Well, Pastor Ramirez is not --  
15 We're only talking about Pastor Hill.

16 MR. COHEN: Well, I don't know that.

17 JUDGE CHACHKIN: That's, that's the understanding,  
18 just Pastor Hill would be the one tomorrow.

19 MR. COHEN: And then, and then Mrs. Duff would,  
20 would come back?

21 JUDGE CHACHKIN: Right.

22 MR. COHEN: I don't, I don't know what he's going to  
23 testify to and --

24 JUDGE CHACHKIN: He was deposed, was he not?

25 MR. COHEN: Yes, he was deposed, but --

1 JUDGE CHACHKIN: Well, then you know what he's going  
2 to testify.

3 MR. COHEN: I mean, I don't know what, I don't know  
4 what the, what the redirect examination certainly is going to  
5 be for him. And, and from my own perspective, it's much more  
6 difficult for me to conduct recross examination of Mrs. Duff  
7 when there's a gap in her testimony. I'm by myself here. I'm  
8 much more likely to forget her testimony if there is argument  
9 over what she said, if there's a, another witness that appears  
10 between her testimony, her, her, her cross examination and her  
11 redirect.

12 And, finally, it's not certain, Your Honor, that  
13 Pastor Hill will be done tomorrow. And that's all I have to  
14 say, Your Honor.

15 JUDGE CHACHKIN: Well, I'm prepared to accommodate  
16 you and allow Pastor Hill to testify, and I do so 'cause I  
17 note the years that he worked there and it doesn't -- If he  
18 was to be a witness who would testify similarly to what  
19 Ms. Duff was or, say, Reverend Crouch or someone of that  
20 nature, then I might be reluctant. But in view of the  
21 circumstances you've described to me and his limited knowledge  
22 by virtue of the number of years he worked -- was involved  
23 with NMTV, I'm, I'm prepared to accommodate you in that  
24 regard.

25 MR. TOPEL: I thank you so much, Your Honor.

1 JUDGE CHACHKIN: All right.

2 MR. TOPEL: I really appreciate that.

3 MR. MCCURDY: Your Honor, could the record --

4 JUDGE CHACHKIN: Oh, I, I forgot that, I'm sorry.

5 MR. MCCURDY: I, I would just second Mr. Cohen's  
6 objection.

7 JUDGE CHACHKIN: You would object?

8 MR. MCCURDY: And I'd just like the record to  
9 reflect that.

10 JUDGE CHACHKIN: All right. Pastor Hill was never a  
11 director, was he?

12 MR. TOPEL: He's a director of NMTV.

13 JUDGE CHACHKIN: Yes, all right. All right, we're  
14 on the record again, and please continue.

15 MR. SCHONMAN: Thank you, Your Honor.

16 BY MR. SCHONMAN:

17 Q Mrs. Duff, I'd like to direct your attention to  
18 Bureau Exhibit Number 222. And that's a letter from Colby May  
19 to the Commission dated October 18, 1988, reflecting that the  
20 Odessa station went on the air October 17, 1988.

21 A Yes.

22 Q Did you ask Mr. May to prepare this?

23 A Yes.

24 Q Can we move to Bureau Exhibit Number 233? That's an  
25 affiliation agreement between TBN and NMTV, and it bears a

1 date October 21, 1988. Mrs. Duff, on page 11 of this  
2 document, that's a signature page.

3 A Yes.

4 Q Is that your signature?

5 A Yes.

6 Q And you signed it on behalf of NMTV?

7 A Yes, sir.

8 Q Did anyone sign on behalf of Trinity Broadcasting  
9 Network?

10 A I believe they did, but for some reason I wasn't  
11 able to locate a copy with, with a signature.

12 Q Do you know who signed on behalf of Trinity  
13 Broadcasting?

14 A I don't remember after all these years.

15 Q Do you remember -- Strike that. What, what role, if  
16 any, did you have in negotiating this affiliation agreement?

17 A Actually, it was an agreement that I put together.  
18 It's almost identical to the one that I put together for, for  
19 Portland. It's basically parts of agreements that I had in my  
20 office from previous affiliation agreements, and I picked out  
21 the clauses that I wanted. And I think there was one that was  
22 unique which has to do with the 120 days, on page 9 under 13C,  
23 which Trinity's agreements did not have.

24 Q This is a Trinity agreement, isn't it?

25 A Well, the, the agreements that, that Trinity has

1 with other affiliates do not have that particular --

2 JUDGE CHACHKIN: What provision is that?

3 MRS. DUFF: It's on page 9.

4 JUDGE CHACHKIN: Yes. What provision?

5 MRS. DUFF: Thirteen C.

6 JUDGE CHACHKIN: You mean there's no provision for  
7 canceling the agreement? Is that what you're saying?

8 MRS. DUFF: It's not 120 days written notice for  
9 either party.

10 JUDGE CHACHKIN: What is it?

11 MRS. DUFF: There -- It's cancellation by Trinity  
12 only. I think it's a one-sided -- Without looking at it, I'm  
13 not positive because we changed, you know, the agreements  
14 change from time to time.

15 JUDGE CHACHKIN: So you're not positive whether or  
16 not this provision is, is just for this agreement or whether  
17 it -- It's not currently in other TBN agreements. Is that  
18 what you're saying?

19 MRS. DUFF: This particular clause was put in here  
20 for National Minority by me, and I do not believe that it's in  
21 any of Trinity's agreements, with the exception of -- maybe  
22 for CET. But this, this is a unique clause that I wanted in  
23 the agreement.

24 BY MR. SCHONMAN:

25 Q And you, you drafted this affiliation agreement?

1           A     I put it together. I can't take credit for, for  
2 drafting each one. I assembled it. I picked the clauses that  
3 I wanted because I had a lot of boilerplate agreements.

4           Q     Did you testify a moment ago that you used the  
5 Portland affiliation agreement as, as a model of sorts for  
6 this?

7           A     No, no, no. What I mean, the two are the same. The  
8 Odessa agreement obviously is first, but I used the same  
9 agreement for the two stations.

10          Q     Was there any individual acting on behalf of TBN in  
11 negotiating this affiliation agreement?

12          A     Not really in negotiating.

13          Q     In fact, there weren't any negotiations at all, were  
14 there?

15          A     Basically, I just developed this agreement and there  
16 wasn't anything that unique about it. I, I did submit it to,  
17 to Mr. Crouch I believe. I don't have a specific memory of  
18 it, but I would have had to submit it to him or one of the  
19 assistant secretaries, at least, to get, to get a signature.

20          Q     To get TBN's signature?

21          A     Right.

22          Q     Did you receive any advice from anyone that the  
23 preparation -- that an agreement like this had to be prepared?

24          A     I might have early on had advice from Mr. May, but  
25 I, I don't have a specific memory. I knew that we had to have

1 an agreement. It probably originally came from Mr. May, yes.

2 Q We can move on to Bureau Exhibit Number 224. And  
3 that's a covering license application for the Odessa station  
4 dated October 25, 1988. Now, if you turn to page 4 of this  
5 application, the name Ben Miller appears on the page.

6 A Yes.

7 Q Now, there are boxes at the bottom where the  
8 individual who signs this page has to check off the, the role  
9 that he played, and the box for "technical consultant" is  
10 empty. Unfortunately, on, on the page that I have the box for  
11 "technical director" is -- has a hole through it from my  
12 binder, so I can't tell what was punched through. Do you  
13 happen to know whether he checked off the "technical director"  
14 box?

15 A I, I don't have a memory of that from that far back,  
16 no, sir. I'm sorry.

17 Q Did you review this application before it was filed  
18 with the Commission?

19 A Yes, I'm sure I did.

20 Q Did you notice that he had not checked off  
21 "technical consultant"?

22 A No, I didn't.

23 Q Is it your testimony that that's the role he played  
24 in preparing the engineering portion of this application?

25 A Yes, sir, he did.

1 Q So Mr. Miller supervised the, the construction of  
2 the Odessa station and then he completed the engineering  
3 portion of this application as well?

4 A Yes.

5 Q Let's move on to Bureau Exhibit Number 227. That's  
6 a letter from Doug Sheldahl, S-H-E-L-D-A-H-L, to George  
7 Sebastian, and it's on TBC Communications letterhead. The  
8 letter is dated November 19, 1988. Do you have that?

9 A Yes.

10 Q And Mr. Sheldahl is directing this letter to George  
11 Sebastian in his capacity as low-power coordinator for Trinity  
12 Broadcasting Network. Is it your testimony that Mr. Sebastian  
13 was not the low-power coordinator for Trinity Broadcasting  
14 Network?

15 A He was never an employee of Trinity Broadcasting.  
16 Any title that he had was self-imposed and he was always a  
17 volunteer.

18 Q Now, the Fresno station that is the subject of this  
19 letter was NMTV's Fresno station?

20 A That's correct.

21 Q Do you have any knowledge as to why invoices for  
22 construction regarding the Fresno station are being submitted  
23 to Mr. Sebastian?

24 A If he had made the initial contacts, somebody might  
25 address it to him and then it would get to me.



1 Q What was Mr. Sebastian's role in the construction of  
2 the Fresno station?

3 A He probably coordinated the construction by making  
4 contacts with the, the contractors for the dates that they  
5 would arrive at the site and to fine tune the technical  
6 details of the construction and make sure that, make sure that  
7 everything was on schedule as far as the equipment being there  
8 and the construction crew being scheduled in a timely manner.

9 Q Mr. Sebastian supervised the construction of NMTV's  
10 Fresno station, didn't he?

11 A Yes, I believe he did.

12 Q Bureau Exhibit Number 228, that's the next page,  
13 that's a letter dated November 21, 1988, from James Planck to  
14 Ben Miller. Now, that letter involves the Fresno station,  
15 correct?

16 A Yes.

17 Q Do you have any knowledge as to why Mr. Planck is  
18 directing this letter to Ben Miller at Trinity Broadcasting  
19 Network?

20 A No, I don't. I don't, I don't have any recollection  
21 of, of this particular letter.

22 Q What was Mr. Planck's and/or Planck Technical  
23 Services' role in the construction of NMTV's Fresno station?

24 A Well, the only thing I can tell you at this point,  
25 just on the face of the document where he provided some

1 additional equipment regarding the exhaust fan system and  
2 filters.

3 Q Mrs. Duff, was there a continuing relationship  
4 between TBN and Planck Technical Services regarding the  
5 maintenance and continuing operations of low-power stations  
6 owned by TBN?

7 A On a case-by-case basis. TBN and National Minority  
8 had contractors in each locality, and if for some reason we  
9 were not able to find a contractor locally, immediately, then  
10 on a case-by-case basis we would engage Planck Technical  
11 Service to take care of that station until we could really  
12 locate somebody on a local level.

13 Q Did Planck perform those maintenance type services  
14 for NMTV's Fresno station?

15 A I don't have a recollection of, of them doing that.  
16 However, the record might bear it out. I, I don't have a  
17 recollection, no.

18 Q Can you recall any other stations that -- Strike  
19 that. Can you recall any other stations that Planck Technical  
20 Services would have provided maintenance services for NMTV's  
21 low-power stations?

22 A Not without looking at the record.

23 Q On page 2 of this document, that is, page 2 of  
24 Bureau Exhibit Number 228, there's another requisition order?  
25 Is that correct?

1 A Yes.

2 Q And that's for the NMTV station at Fresno?

3 A Yes.

4 Q Requisitioned by Ben Miller and it appears on  
5 Trinity Broadcasting -- a Trinity Broadcasting form again,  
6 correct?

7 A Yes.

8 Q Do you know why it appears on a Trinity Broadcasting  
9 form?

10 A At that time, they were using the forms until  
11 National Minority got their own purchase orders.

12 Q You're saying that this time, that is, 11/22/88,  
13 NMTV did not have its own purchase order forms?

14 A That's correct.

15 Q I'd like to direct your attention to Bureau Exhibit  
16 Number 229, which is a letter from Patricia Saint John Clerke  
17 to a company by the name of TWR Telecom. It's dated  
18 November 23, 1988. Why don't you take a moment to look at  
19 that, please? (Pause) You've looked at that?

20 A Yes.

21 Q Do you recall getting a copy of this letter or  
22 seeing it before it was sent to TWR Telecom, Inc.?

23 A I don't recall getting a copy of it. I, I don't, I  
24 don't have a recollection of it, no.

25 Q Have you ever seen it before today?

1 A I don't remember getting a copy of it, no.

2 Q Now, is Patricia Saint John Clerke a consultant to  
3 NMTV?

4 A No. She was the clerk that worked for Ben Miller in  
5 processing the purchase orders.

6 Q She's on the TBN payroll?

7 A Yes, sir.

8 Q Now, I acknowledge that you didn't write this  
9 letter, but do you have any knowledge as to why she writes in  
10 the second line -- Well, it starts in the first line.

11 "Mr. Harold Prentice of our," and I emphasize the word our,  
12 "National Minority TV station in Odessa, Texas," etcetera,  
13 etcetera. Do you know why she refers to NMTV as being "our"?

14 A No, I do not.

15 Q Okay. Do you know why this was sent on TBN  
16 letterhead?

17 A No, sir.

18 Q Let's move on to Bureau Exhibit Number 230. That's  
19 a special meeting of NMTV held on December 12, 1988. And I  
20 would request that you take a look at this. (Pause) Have you  
21 finished?

22 A Yes.

23 Q Mrs. Duff, was the meeting, this special meeting,  
24 held on December 12, 1988?

25 A Yes.

1 Q On page 2, it appears that the date -- That is your  
2 signature on page 2, by the way?

3 A Oh.

4 Q It's dated 12/6/88, before the meeting took place.

5 A I'm sorry, I looked at this date up here. There had  
6 to be an error in the date, obviously. I never signed any  
7 minutes before a meeting took place. That had to be an error.  
8 I don't know which occurred, you know, whether it was an error  
9 in the 12th or an error in the 6th. I, I don't know, but  
10 obviously it's not correct.

11 Q Who prepared this -- the minutes for this meeting?

12 A I believe Norm Juggert prepared the minutes.

13 Q Now, there's a reference on page 1, the second  
14 paragraph from the bottom, "President Crouch raised the  
15 possibility of attempting to sell the Odessa, Texas, station."  
16 Do you see that?

17 A Yes.

18 Q Why did Paul Crouch want to sell the station?

19 A I don't remember him saying specifically why, but  
20 just that he would prefer not to build it. And I don't know.  
21 If he had given me a reason, I don't recall what it was.

22 Q But this -- I'm sorry. You're finished?

23 A Yes.

24 Q But the, the Odessa station was performing  
25 adequately, in, in your mind, at that time?

1           A     At that time, there was initial good response from  
2 the viewers. And we had not much experience at that time as  
3 to, you know, we hadn't been on the air that long, but a  
4 station just going on the air, I thought that it was being  
5 received -- We were getting responses, yes.

6           Q     And you told the other board members that the  
7 station, the Odessa station, was being well received and being  
8 supported by loyal viewers?

9           A     That's what --

10          Q     That's reflected in the third paragraph --

11          A     Yes.

12          Q     -- from the bottom?

13          A     Yes.

14          Q     What do you mean by the statement, the station was  
15 being well received?

16          A     We had letters that were coming in from people that  
17 were watching the station and we were satisfied that the  
18 station was reaching people, and that's what we wanted to do.

19          Q     Was any money coming in?

20          A     It was starting to, to come in.

21          Q     Did it meet your expectations?

22          A     In the very beginning -- You have to remember that  
23 it takes a while for us to really get a pattern established of  
24 the actual giving, but in the beginning, you know, it was the  
25 start-up. We know that, you know, starting up is not going to

1 be terrific, but we had expected it to grow more than it did.  
2 I don't want to interject any more at this point.

3 Q Earlier today you testified that one of the reasons,  
4 if not the reason, for not constructing NMTV's Houston low-  
5 power station was because NMTV was very, very busy with other  
6 things going on. Now, on page 2 of these December minutes,  
7 December 1988 minutes, you state, "The board then considered  
8 other possibilities for expansion, both for low- and full-  
9 power stations." If NMTV was so busy that it couldn't  
10 construct the Houston station, why is it in December 1988 --  
11 why was the board considering further expansion?

12 A Because the FCC only opens up a window about once a  
13 year, and it's a once-in-a-lifetime opportunity and we didn't  
14 want to miss any of those opportunities because frequencies  
15 are rare and it's -- We knew that, you know, that we wouldn't  
16 have another chance in some of these markets. The frequencies  
17 would be gone.

18 Q What other possibilities were you -- was the board  
19 referring to on page 2?

20 A I think about that time we were -- I, I don't really  
21 have a recollection as to specifics, except in the area of the  
22 low power. We definitely were, were going to pursue more low  
23 powers.

24 Q At that time, December 1988, how many stations --  
25 Did you have an understanding as to how many stations NMTV

1 could own?

2 A At that time, as far as I was concerned, it was --  
3 as long as we remained the -- with the board that we had that  
4 NMTV could only own two full-power stations. In other words,  
5 as long as Dr. Crouch's involvement was there that we would be  
6 limited by his ownership interest and we could only own two.

7 Q So what did you mean by "expansion for full-power  
8 stations" here?

9 A I don't, I don't have any recollection of what, you  
10 know, what was going on at that time. I don't -- I didn't do  
11 the minutes, so I don't really -- I can't relate to that at  
12 this point.

13 Q You were at the meeting, though?

14 A Yes.

15 MR. SCHONMAN: Your Honor, can we go off the board  
16 -- off the record for just a moment, please?

17 JUDGE CHACHKIN: Yes.

18 (Off the record.)

19 BY MR. SCHONMAN:

20 Q Mrs. Duff, on page 1 of the December 1988 minutes,  
21 just about in the middle of that page, it said -- it says,  
22 "Mrs. Duff then reported that the corporation was broadcasting  
23 over a new low-power facility at Fresno, California." Do you  
24 see that?

25 A Yes.



1           Q     Now, there's no discussion in the minutes of this  
2 December 1988 meeting about, about the Houston low-power  
3 station. Had the company made the decision to, to build the  
4 station or not build the station at that time?

5           A     Without documents in front of me to confirm the  
6 actual dates, I wouldn't be able to say for any -- with any  
7 degree of accuracy.

8           Q     Well, the construction permit was granted in January  
9 1988. Does that help you?

10          A     We would have 18 months to build it. I might not  
11 have -- I, I just don't know without seeing what the  
12 expiration on it was. Eighteen months we would have to build  
13 it. I'm not positive as to when we actually sold it.

14          Q     Mrs. Duff, if you look at Bureau Exhibit Number 180,  
15 that's the, that's the construction permit granted by the  
16 Commission for NMTV's Houston station. It's the very first  
17 document in Volume IV. And it shows in the upper right the  
18 grant date, 1/29/88, and it says the permit expires 18 months  
19 later. So at the time of December 1988 meeting, almost a year  
20 had gone by from the time the Commission granted the Houston  
21 permit. So are you able to explain why there's no mention in  
22 the December '88 minutes about the Houston station?

23          A     No, sir, I'm not.

24          Q     Can we turn to Bureau Exhibit Number 231? Do you  
25 have that?